

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3312
ANSWERED ON:18.12.2015
Loan for Commercial Vehicles
Dhurve Smt. Jyoti

Will the Minister of FINANCE be pleased to state:

- (a) whether banks are providing concessional loan to Scheduled Castes/Scheduled Tribes/Other Backward Classes and other weaker sections of the society for purchase of commercial vehicles;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor?

Answer

(MINISTER OF STATE IN THE MINISTRY OF FINANCE)

(a) to (c): National Scheduled Castes Finance and Development Corporation (NSFDC), [under Ministry of Social Justice and Empowerment, GoI], provides concessional Loan to the eligible beneficiaries belonging to Scheduled Castes living below Double the Poverty Line limit [presently annual family income of Rs.98,000/- for rural areas and Rs.1,20,000/- for urban areas] through State Channelizing Agencies (SCAs) nominated by respective State Governments / UT Administration and other channel partners. NSFDC has signed Memorandum of Agreement (MoA) with 3 Public Sector Banks, 16 Regional Rural Banks (RRBs) and 1 Cooperative Bank for providing concessional loan to the target group for various income generating schemes including Commercial Vehicles.

In terms of Reserve Bank's guidelines on lending to Priority Sector, a target of 10 per cent of Adjusted Net Bank Credit has been prescribed for lending by scheduled commercial banks to weaker sections of the society inclusive of SCs/STs.

Under Central Govt. Sponsored Schemes like National Rural Livelihoods Mission (NRLM), National Urban Livelihoods Mission (NULM) & Differential rate of Interest Scheme (DRI), financial assistance is provided to target groups including SC/STs through bank credit with the provision of interest subvention/ capital subsidy.

RBI has also issued standing instructions to banks in the form of Master Circular dated 01.07.2015 - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs) with special emphasis for their welfare along with measures to step up their advances to SCs / STs.
